

## **605 KAR 1:030. Applications.**

RELATES TO: KRS 190.010-190.080

STATUTORY AUTHORITY: KRS 190.020, 190.030, 190.035, 190.073

NECESSITY, FUNCTION, AND CONFORMITY: KRS 190.030 provides for the issuance of various licenses to engage in the activity of a motor vehicle dealer. This administrative regulation allows the Motor Vehicle Commission to provide for an orderly procedure for the submission and content of applications to facilitate processing of applications and the issuance of the license.

Section 1. Definitions. In this administrative regulation "established place of business" means, in addition to those requirements of KRS 190.010(18), a dealership sales facility which has the following:

- (1) A business office which:
    - (a) Is underpinned and on a permanent foundation;
    - (b) Has electricity;
    - (c) Has a file cabinet used for the storage of business records;
    - (d) Has a working business telephone;
    - (e) Has a desk and chairs for the use of the business;
    - (f) Has at least 100 square feet of floor space;
    - (g) Shall be located on or immediately adjacent to the vehicle storage or display lot;
    - (h) Is not part of a residence;
    - (i) Is used exclusively as a licensee business office; and
  - (2) A vehicle storage or display lot which:
    - (a) Has a hard surface lot (gravel, asphalt, concrete or other suitable covering);
    - (b) Is at least 2,000 square feet in size;
    - (c) Is used exclusively for the display and showing of vehicles for sale and licensee customer parking;
    - (d) Is a distinctively defined area, from that which surrounds it.
- The dealership business office need not be a separate walled enclosure.

Section 2. Upon receipt of a completed application, a review of the application will be made, including an appropriate investigation as to the applicant's compliance with the appropriate statutory and regulatory provisions governing the issuance of a license.

Section 3. Applicant will be notified of the acceptance or rejection of his application, and if the application is rejected, the reason or reasons for rejection shall be specifically stated, and the rejected applicant shall be notified of his right to a hearing before the commission in accordance with the rules and administrative regulations of the commission.

Section 4. A motor vehicle dealer, other than a wholesale dealer, shall display on his premises a sign with lettering not less than nine (9) inches in height, which is clearly visible from the nearest roadway, and which specifically identifies his business. The business name on the sign must be the same as that on the license application.

Section 5. A licensee may conduct more than one (1) business in a building otherwise meeting the requirements of this administrative regulation provided he has suitable space and adequate facilities to conduct the business of a motor vehicle dealer.

Section 6. All applicants shall comply with the following:

- (1) Submit a financial statement.
- (2) Submit at least six (6) photographs of the premises to be occupied by the applicant.
- (3) Submit a detailed drawing of his premises in relation to the nearest roadway. This drawing is to include location and size of office, display area and location of dealership sign.
- (4) Furnish a personal data sheet on each individual owning a portion of the business and officers of a corporation, including a photograph and an employment history of each such person.
- (5) Every applicant, partner or corporate officer shall sign a statement authorizing the Motor Vehicle Commission to make inquiries or investigations concerning the applicant's employment, credit, or criminal records.
- (6) Applicant shall obtain garage liability insurance and file with the commission a certificate of insurance (form TD 95-99) in the exact name in which it applies for a license.

Section 7. Every applicant who conducts an automobile salvage or junk business on the same premises shall be in compliance with all state administrative regulations regarding junkyard operations. Applicant shall have an area for the display of vehicles for sale and an office separate and apart from the area where junk cars or parts are stored or situated.

Section 8. If an applicant operates a garage for the repair or rebuilding of wrecked or disabled vehicles, an office and area for the display of vehicles separate and apart from the area where the repairs are made shall be allocated for the licensed activity.

Section 9. Not more than one (1) licensee for the same licensed activity shall be licensed from a single place of business.

Section 10. Every licensee shall obtain a sales tax permit number from the Revenue Cabinet. (Recodified from 601 KAR 21:030, 7-13-84; Am. 11 Ky.R. 1463; reprinted 13 Ky.R. 1522; eff. 5-14-85; 18 Ky.R. 467; eff. 10-1-91.)